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RECORDATION NO. _____ Filed & Recorded
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INTERSTATE COMMERCE COMMISSION

LEASE OF RAILROAD EQUIPMENT

Dated as of January 10, 1973

between

MISSOURI PACIFIC RAILROAD COMPANY,
Lessee

and

THE FIRST NATIONAL LEASING COMPANY,
Lessor

Filed and recorded with the Interstate Commerce Commission pursuant to
Section 20c of the Interstate Commerce Act on 1973, at
Recordation No.

LEASE OF RAILROAD EQUIPMENT dated as of January 10, 1973, between MISSOURI PACIFIC RAILROAD COMPANY, a Missouri corporation (hereinafter called the Lessee), and THE FIRST NATIONAL LEASING COMPANY, a partnership (hereinafter called the Lessor).

WHEREAS, the Lessor and the Lessee have entered into two Conditional Sale Agreements dated as of the date hereof (hereinafter called the Security Documents), with GENERAL MOTORS CORPORATION (Electro-Motive Division) and GENERAL ELECTRIC COMPANY, respectively (hereinafter called the Builders), wherein the Builders have agreed to manufacture, sell and deliver to the Lessor the railroad equipment described in Schedule A hereto;

WHEREAS, the Builders have assigned or will assign their respective interests in the Security Documents to UNITED STATES TRUST COMPANY OF NEW YORK, as Agent (hereinafter, together with its successors and assigns, referred to as the Vendor); and

WHEREAS, the lessee desires to lease all the units of said equipment, or such lesser number (hereinafter called the Units) as are delivered and accepted and settled for under the Security Documents on or prior to June 20, 1973 (hereinafter called the Cut-Off Date), at the rentals and for the terms and upon the conditions hereinafter provided;

NOW, THEREFORE, in consideration of the premises and of the rentals to be paid and the covenants hereinafter mentioned to be kept and performed by the Lessee, the Lessor hereby leases the Units to the Lessee upon the following terms and conditions, but, upon default of the Lessee hereunder or under the Security Documents, subject to all the rights and remedies of the Vendor under the Security Documents:

§ 1. *Incorporation of Model Provisions.* Whenever this Lease incorporates herein by reference, in whole or in part or as hereby amended, any provision of the document entitled "Model Lease Provisions" annexed to the Security Documents as Part II of Annex C thereto (hereinafter called the Model Lease Provisions), such provision of the Model Lease Provisions shall be deemed to be a part of this instrument as fully to all intents and purposes as though such provision had been set forth in full in this Lease.

§ 2. *Delivery and Acceptance of Units.* § 2 of the Model Lease Provisions is herein incorporated as § 2 hereof.

§ 3. *Rentals.* The Lessee agrees to pay to the Lessor as rental for each Unit subject to this Lease (i) for the period from the Closing Date (as defined in Article 4 of the Security Document pursuant to which such Unit is being acquired by Lessor) for such Unit to June 30, 1973, an amount equal to .0142278% of the Purchase Price (as defined in the Security Document pursuant to which such Unit is being acquired by Lessor) of each Unit for each day elapsed from the Closing Date for settlement of such Unit to and including June 29, 1973 due and payable on June 30, 1973, and (ii) through the balance of the lease term remaining after the period described in (i) above, payable in arrears in 62 equal quarter-annual instalments on September 30, December 30, March 30 and June 30 in each year commencing with September 30, 1973, an amount equal to 2.08500% of the Purchase Price of each such Unit.

The Lessor irrevocably instructs the Lessee to make, and the Lessee agrees to make, all the payments provided for in this Lease in immediately available funds (including but not limited to the payments required under § 7 hereof) for the account of the Lessor, c/o United States Trust Company of New York, 130 John Street, New York, N. Y. 10038 on or before 11 o'clock a. m. New York City time on the date upon which payments are due and payable. Such payments shall be applied by the Vendor to satisfy the obligations of the Lessor under the Security Documents due and payable on the date such payments are due hereunder and, so long as no event of default under the Security Documents shall have occurred and be continuing, any balance shall be paid to the Lessor.

This Lease is a net lease and the Lessee shall not be entitled to any abatement of rent, reduction thereof or setoff against rent, including, but not limited to, abatements, reductions or setoffs due or alleged to be due by reason of any past, present or future claims of the Lessee against the Lessor under this Lease or under the Security Documents, including the Lessee's rights by subrogation under Article 8 thereof, or the Builder or the Vendor or otherwise; nor, except as otherwise expressly provided herein, shall this Lease terminate, or the respective obligations of the Lessor or the Lessee be otherwise affected, by reason of any defect in or damage to or loss of

possession or loss of use or destruction of all or any of the Units from whatsoever cause, any liens, encumbrances or rights of others with respect to any of the Units, the prohibition of or other restriction against the Lessee's use of all or any of the Units, the interference with such use by any person or entity, the invalidity or unenforceability or lack of due authorization of this Lease, any insolvency, bankruptcy, reorganization, or similar proceeding against the Lessee, or for any other cause whether similar or dissimilar to the foregoing, any present or future law to the contrary notwithstanding, it being the intention of the parties hereto that the rents and other amounts payable by the Lessee hereunder shall continue to be payable in all events in the manner and at the times herein provided unless the obligation to pay the same shall be terminated pursuant to the express provisions of this Lease. To the extent permitted by applicable law, the lessee hereby waives any and all rights which it may now have or which at any time hereafter may be conferred upon it, by statute or otherwise, to terminate, cancel, quit or surrender the lease of any of the Units except in accordance with the express terms hereof. Each rental or other payment made by the Lessee hereunder shall be final and the Lessee shall not seek to recover all or any part of such payment from the Lessor for any reason whatsoever.

§ 4. Term of Lease. The term of this Lease as to each Unit shall begin on the date of the delivery to and acceptance by the Lessee of such Unit and, subject to the provisions of §§ 7, 10 and 13 hereof, shall terminate on the date on which the final quarter-annual payment of rent in respect thereof is due pursuant to § 3.

Notwithstanding anything to the contrary contained herein, all rights and obligations under this Lease and in and to the Units, upon default by the Lessee hereunder, or under the Security Documents in its capacity as Guarantor or otherwise, are subject to the rights of the Vendor under the Security Documents. If an event of default should occur under the Security Documents, the Vendor may terminate this Lease (or rescind its termination), all as provided therein, unless the Lessee is not so in default under this Lease or under the Security Documents.

§ 5. Identification Marks. § 5 of the Model Lease Provisions is herein incorporated as § 5 hereof.

§ 7. *Payment for Casualty Occurrences; Insurance.* In the event that any Unit shall be or become worn out, lost, stolen, destroyed, or, in the opinion of the Lessor or the Lessee, irreparably damaged, from any cause whatsoever, or taken or requisitioned by condemnation or otherwise (such occurrences being hereinafter called Casualty Occurrences) during the term of this Lease, the Lessee shall promptly and fully notify the Lessor and the Vendor with respect thereto. On the rental payment date next succeeding such notice, the Lessee shall pay to the Lessor the rental payment due and payable on such date plus a sum equal to the Casualty Value (as hereinafter defined) of such Unit as of the date of such payment in accordance with the schedule set out below. Upon the making of such payment by the Lessee in respect of any Unit, the rental for such Unit shall cease to accrue, the term of this Lease as to such Unit shall terminate and (except in the case of the loss, theft or complete destruction of such Unit) the Lessor shall be entitled to recover possession of such Unit.

The Casualty Value of each Unit as of any rental payment date shall be that percentage of the Purchase Price of such Unit as is set forth in the following schedule opposite such rental payment date:

Rental Payment Date	Percentage	Rental Payment Date	Percentage
9/30/73	105.2971	3/30/81	66.8527
12/30/73	105.1122	6/30/81	65.4989
3/30/74	104.9272	9/30/81	64.1451
6/30/74	104.9517	12/30/81	62.6702
9/30/74	104.9761	3/30/82	61.1952
12/30/74	104.2246	6/30/82	59.7323
3/30/75	103.4731	9/30/82	58.2693
6/30/75	103.0511	12/30/82	56.6889
9/30/75	102.6290	3/30/83	55.1084
12/30/75	101.9450	6/30/83	53.5383
3/30/76	101.2610	9/30/83	51.9682
6/30/76	100.6547	12/30/83	50.2896
9/30/76	100.0483	3/30/84	48.6110
12/30/76	94.4715	6/30/84	46.9357
3/30/77	93.6931	9/30/84	45.2603
6/30/77	92.9147	12/30/84	43.4854
9/30/77	92.1363	3/30/85	41.7105
12/30/77	91.1408	6/30/85	39.9315
3/30/78	90.1453	9/30/85	38.1525
6/30/78	89.2080	12/30/85	36.3514
9/30/78	88.2706	3/30/86	34.5502
12/30/78	82.4278	6/30/86	32.6671
3/30/79	81.3454	9/30/86	30.7840
6/30/79	80.2630	12/30/86	28.8379
9/30/79	79.1805	3/30/87	26.8918
12/30/79	77.9283	6/30/87	24.9720
3/30/80	76.6761	9/30/87	23.0521
6/30/80	75.4602	12/30/87	21.0703
9/30/80	74.2442	3/30/88	19.0885
12/30/80	68.2065	6/30/88	17.7257
		9/30/88	16.3628
		12/30/88 and thereafter	15.0000

Except as hereinabove in this § 7 provided, the Lessee shall not be released from its obligations hereunder in the event of, and shall bear the

such trustee or trustees, within 30 days after such appointment, if any, or 60 days after such petition shall have been filed, whichever shall be earlier; or

(F) any warranty or representation in §17 hereof shall be or become untrue or incorrect;

then, in any such case, the Lessor, at its option, may:

(a) proceed by appropriate court action or actions either at law or in equity, to enforce performance by the Lessee of the applicable covenants of this Lease or to recover damages for the breach thereof including net after tax losses of Federal and state income tax benefits to which the Lessor would otherwise be entitled under this Lease; or

(b) by notice in writing to the Lessee terminate this Lease, whereupon all rights of the Lessee to the use of the Units shall absolutely cease and terminate as though this Lease had never been made, but the Lessee shall remain liable as hereinafter provided; and thereupon the Lessor may by its agents enter upon the premises of the Lessee or other premises where any of the Units may be and take possession of all or any of such Units and thenceforth hold, possess and enjoy the same free from any right of the Lessee, or its successors or assigns, to use the Units for any purposes whatever; but the Lessor shall, nevertheless, have a right to recover from the Lessee any and all amounts which under the terms of this Lease may be then due or which may have accrued to the date of such termination (computing the rental for any number of days less than a full rental period by multiplying the rental for such full rental period by a fraction of which the numerator is such number of days and the denominator is the total number of days in such full rental period) and also to recover forthwith from the Lessee

(i) as damages for loss of the bargain and not as a penalty, a sum, with respect to each Unit, which represents the excess of (x) the present value, at the time of such termination, of the entire unpaid balance of all rental for such Unit which would otherwise have accrued hereunder from the date of such termination to the end of the term of this Lease as to such Unit over (y) the then present value of the rentals which the Lessor reasonably estimates to be obtainable for the Unit during such period; such present value to be computed in each case on a basis of a rate of 3.25% per annum, discount, compounded quarterly, from the

respective dates upon which rentals would have been payable hereunder had this Lease not been terminated, (ii) any damages and expenses, including reasonable attorneys' fees, in addition thereto which the Lessor shall have sustained by reason of the breach of any covenant, representation or warranty of this Lease other than for the payment of rental, and (iii) an amount which, after deduction of all taxes required to be paid by the Lessor in respect of the receipt thereof under the laws of the United States of America or any political subdivision thereof, calculated on the assumption that the Lessor's Federal, state and local taxes computed by reference to net income or excess profits are based on a 48% effective Federal tax rate and the highest effective state and local income tax and/or excess profit tax rates generally applicable to the Lessor, including therein the effect of any applicable surtax, surcharge and/or other tax or charge related thereto, and deducting from any such Federal tax 48% of the amount of any such state and local tax (such rates as so calculated being hereinafter in this Agreement called the Assumed Rates) shall be equal to the following:

(A) an amount equal to any portion of the 7% investment credit with respect to the Purchase Price of the Units as provided in Section 38 and related Sections of the Internal Revenue Code of 1954, as amended (hereinafter called the Investment Credit), lost, not claimed, not available for claim, disallowed or recaptured by or from the Lessor as a result of the breach of one or more of the representations, warranties and covenants made by the Lessee in § 17 or any other provision of the Lease or the sale or other disposition of the Lessor's interest in any Unit after the occurrence of an Event of Default; plus

(B) such sum as, in the reasonable opinion of the Lessor, will cause the Lessor's net return (taxes being calculated at the Assumed Rates) under this Lease to be equal to the net return (taxes being calculated at the Assumed Rates) that would have been available to the Lessor if the Lessor had been entitled to take a deduction (hereinafter called the Class Life Deduction) in respect of the depreciation of each Unit over an 11-year life down to a net depreciated value equal to 0% of the Purchase Price under regulations to be prescribed by the Secretary of the Treasury or his

of each rental payment to the date of such payment plus interest and penalties, if any, assessed by the United States on any deficiency in Federal income taxes arising in whole or in part from the disallowance of such 11 year asset depreciation period; and in the event that Lessor shall not be permitted to use an asset depreciation period of 12 years, then the rental provided for in § 3 shall be increased to the extent necessary to cause Lessor's net return (taxes being calculated at the Assumed Rates) under this Lease to be equal to the net return (taxes being calculated at the Assumed Rates) that would have been available to the Lessor if it had been allowed to depreciate the Units over an 11-year life.

In the event an investment credit of 7% on the full Purchase Price of each Unit is disallowed in whole or in part by the United States, then, the rental payments provided in § 3 hereof shall be increased to the extent necessary to cause the Lessor's net return (taxes being calculated at the Assumed Rates) under this Lease to be equal to the net return (taxes being calculated at the Assumed Rates) that would have been available to the Lessor if the 7% investment credit had been allowed in full.

§ 18. *Interest on Overdue Rentals.* Anything to the contrary herein contained notwithstanding, any nonpayment of rentals and other obligations due hereunder shall result in the obligation on the part of the Lessee promptly to pay, to the extent legally enforceable, an amount equal to 10% per annum of the overdue rentals for the period of time during which they are overdue or such lesser amount as may be legally enforceable.

§ 19. *Notices.* Any notice required or permitted to be given by either party hereto to the other shall be deemed to have been given when deposited in the United States certified mails, first-class postage prepaid, addressed as follows:

(a) if to the Lessor, at c/o First National Bank in St. Louis, 510 Locust Street, St. Louis, Missouri 63101, Attn: Ronald D. Prasse, Vice President,

(b) if to the Lessee, at 210 North Thirteenth Street, St. Louis, Missouri 63103

or addressed to either party at such other address as such party shall hereafter furnish to the other party in writing.

§ 20. *Severability; Effect and Modification of Lease.* Any provision of this Lease which is prohibited or unenforceable in any jurisdiction, shall be, as to such jurisdiction, ineffective to the extent of such prohibition or unenforceability without invalidating the remaining provisions hereof, and

any such prohibition or unenforceability in any jurisdiction shall not invalidate or render unenforceable such provision in any other jurisdiction.

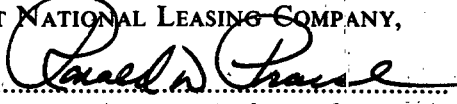
This Lease exclusively and completely states the rights of the Lessor and the Lessee with respect to the Units and supersedes all other agreements, oral or written, with respect to the Units. No variation or modification of this Lease and no waiver of any of its provisions or conditions shall be valid unless in writing and signed by duly authorized officers of the Lessor and of the Lessee.

§ 21. *Execution.* This Lease may be executed in several counterparts, each of which so executed shall be deemed to be an original, and such counterparts together shall constitute but one and the same instrument. Although this Lease is dated as of January 10, 1973, for convenience, the actual date or dates of execution hereof by the parties hereto is or are, respectively, the date or dates stated in the acknowledgments hereto annexed.

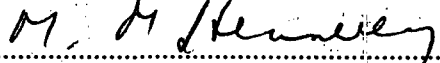
§ 22. *Law Governing.* The terms of this Lease and all rights and obligations hereunder shall be governed by the laws of the State of Missouri, *provided, however,* that the parties shall be entitled to all rights conferred by Section 20c of the Interstate Commerce Act.

IN WITNESS WHEREOF, the parties hereto have executed or caused this instrument to be executed as of the date first above written.

THE FIRST NATIONAL LEASING COMPANY,

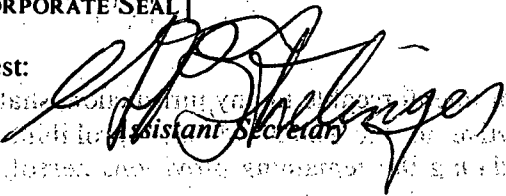
by 
Authorized Agent

MISSOURI PACIFIC RAILROAD COMPANY,

by 
Vice President

[CORPORATE SEAL]

Attest:


Assistant Secretary

STATE OF MISSOURI
CITY OF ST. LOUIS

ss.: On this 19th day of January, 1973, before me appeared Ronald D. Prasse, to me personally known, who being by me duly sworn, did say that he is the authorized agent of The First National Leasing Company, a partnership under the laws of the State of Missouri, and that said instrument was signed on behalf of said partnership by authority of said partnership, and said Ronald D. Prasse acknowledged the said instrument to be the free act and deed of said partnership.

IN WITNESS WHEREOF I have affixed my hand and seal in the city and state as aforesaid, on the day and year first above stated.

Catherine T. Beermann
CATHERINE T. BEERMANN, Notary Public

[NOTARIAL SEAL]

Notary for the City of St. Louis
and adjoining Counties.

My Commission Expires March 31, 1975

STATE OF MISSOURI
CITY OF ST. LOUIS

ss.:

On this 19th day of January, 1973, before me personally appeared M. M. HENNELLY, to me personally known, who, being by me duly sworn, says that he is a Vice President of MISSOURI PACIFIC RAILROAD COMPANY, that one of the seals affixed to the foregoing instrument is the corporate seal of said corporation, that said instrument was signed and sealed on behalf of said corporation by authority of its Board of Directors, and he acknowledged that the execution of the foregoing instrument was the free act and deed of said corporation.

R. C. Mason
Notary Public

R. C. MASON

NOTARY PUBLIC, CITY OF ST. LOUIS, MO.

[NOTARIAL SEAL]

My Commission Expires

Sept 28, 1974

Schedule A
to Lease

Type	Builder's Specifications	Builder's Plant	Quantity	Lessee's Road Numbers (Both Inclusive)	Unit Base Price	Total Base Price	Estimated Time and Place of Delivery
2000 H.P. G.P.-38-2 EMD Locomotives	No. 8090 dated January 3, 1972, as amended by specification No. 8090-3, dated January 3, 1972	La Grange, Illinois	37	MP 923-959	\$251,200	\$9,294,400	Jan.-June, 1973 at McCook, Ill.
2250 H.P. Model U-23-B GE Locomotives	No. 3530-A dated April 1971	Erie, Pa.	7	MP668-674	262,331	1,836,317	Jan. 1973 at Erie, Pa.
			44			\$11,130,717	